

## Message Text

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SUBJECT: CANAL TREATY NEGOTIATIONS: NACR SESSION IV: ESCOBAR SPEECH

SUMMARY: OBSTACLES TO NEGOTIATIONS AND "TRAPS" SET BY U.S. AND PANAMANIAN OPPONENTS OF TREATY NEGOTIATIONS WERE PROMINENT TOPICS IN ROMULO ESCOBAR'S SPEECH. HIS WAS THE HARDEST HITTING POLITICAL SPEECH OF THE DAY, CHARACTERIZING COLONIAL NATURE OF THE CANAL ZONE AS "OPPROBRIOUS AND SHAMEFUL" FOR BOTH THE UNITED STATES AND PANAMA. HE STRESSED, AS DID ALL SPEAKERS, TORRIJOS' NATIONALIST INTEGRITY AND CHARACTERIZED NEW "OPEN DOOR" POLICY AS WAY OF INFORMING PANAMANIAN OF REALITIES--"WHAT WE CAN AND CANNOT GET", AS WELL AS A SIGN TO U.S. THAT IF IT FAILS TO ACT WITH UNDERSTANDING PANAMA WILL HARDEN ITS NEGOTIATING POLICY. IMPORTANCE TO PANAMA OF CANAL ZONE LAND WAS AGAIN UNDERLINED. ON DURATION, HE FLATLY SAID THAT 25-YEAR PERIOD WAS THE MAXIMUM PANAMA COULD ACCEPT. U.S. DEMAND FOR USG ENTITY OPERATING CANAL WAS NOT ACCEPTABLE, ACCORDING TO ESCOBAR. HIS SPEECH, ALONG WITH THOSE OF HIS COLLEAGUES, WAS PART OF EFFORT TO SHOW PANAMANIAN THAT ALTHOUGH COMPROMISE WILL BE NECESSARY, TORRIJOS CAN BE TRUSTED NOT TO SACRIFICE PANAMA'S ESSENTIAL NATIONALIST POSITION. END SUMMARY.

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1. FINAL SPEECH BY GOP REPRESENTATIVES TO NACR MEMBERS JULY 18

WAS THAT OF UNIVERSITY RECTOR ROMULO ESCOBAR BETHANCOURT WHO GAVE HARD-HITTING TALK ABOUT THE GOP'S OBJECTIVES, PROBLEMS, TORRIJOS' INSTRUCTIONS TO NEGOTIATORS AND PRIORITY ISSUES. TORRIJOS' INSTRUCTIONS, HE SAID, WERE CLEAR: OBTAIN "REAL JURISDICTION" OVER CANAL ZONE AND REFUSE TO DISCUSS COMPENSATION UNTIL PRIORITY ISSUES WERE SETTLED\* ESCOBAR PRAISED TORRIJOS NATIONALIST INTEGRITY, USING VARIOUS EXAMPLES FROM THE PAST AND CRITICIZED UNNAMED PERSONS WHO WOULD DIVIDE THE PANAMANIAN PEOPLE. HE ALSO DESCRIBED OBSTACLES TO REVOLUTIONARY PROCESS AND "TRAPS" PLACED BY DOMESTIC AND FOREIGN "REACTION."

2. ESCOBAR THEN TOLD THE REPRESENTATIVES THAT THE EXPLANATIONS GIVEN BY THE NEGOTIATORS HAD TO BE UNDERSTOOD WITHIN THE FRAMEWORK DESCRIBED ABOVE. THE "OPEN DOOR POLICY" OF INFORMING THE PEOPLE WAS TO SHOW "BOTH THE GOOD AND THE BAD, WHAT WE WANT AND THE GRINGOS DEMAND, WHAT WE CAN AND CANNOT GET". THE GOP, HE SAID, HAS "NOTHING TO HIDE." THE NEW POLICY IS, HE SAID, A CLEAR ANSWER TO THE U.S. THAT IF IT ACTS WITHOUT UNDERSTANDING, PANAMA WILL "INCREASE, STRENGTHEN AND HARDEN THE PANAMANIAN PEOPLE'S NEGOTIATING POLICY."

3. THE PROGRESS ACHIEVED IN THE EIGHT POINTS AND IN THE CONCEPTUAL AGREEMENTS WAS REVIEWED, AND ESCOBAR, AS ILLUECA AND AHUMADA BEFORE HIM, STRESSED THE CONTRADICTION BETWEEN THE U.S. POSITION ON LANDS AND WATERS AND PANAMA'S POSITION OF OBTAINING "REAL" AND EFFECTIVE JURISDICTION OVER THE CANAL ZONE. THE U.S. PROPOSALS ON LANDS AND WATERS AND DURATION HAD BROUGHT THE NEGOTIATIONS TO A STANDSTILL. THE U.S. LANDS AND WATERS POSITION, HE SAID, WOULD SIGNIFY A NEW CANAL ZONE WITH A DIFFERENT NAME. PANAMA COULD NOT ACCEPT THAT. TO ILLUSTRATE, HE SAID IT WOULD BE DECEIT TO TELL THE PANAMANIAN PEOPLE THAT THEY HAVE JURISDICTION BUT CANNOT CLIMB ANCON HILL, OR CANNOT OCCUPY THE CITY OF BALBOA.

4. ON DURATION HE SAID: "PANAMA PROPOSES THAT THE TREATY'S DURATION NOT EXCEED 25 YEARS. THE UNITED STATES PROPOSES THAT THE DURATION BE FOR 50 YEARS AND THAT EVEN AFTER THE 50 FIVE ZERO YEARS IT WOULD HAVE A SORT OF RESIDUAL RIGHT TO DEFEND THE CANAL. THAT IS A SORT OF PERPETUITY WITH ANOTHER NAME. WE LIMITED OFFICIAL USE

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INSIST THAT THE 25-YEAR PERIOD IS THE MAXIMUM PERIOD PANAMA CAN ACCEPT BECAUSE THE CANAL MUST REVERT TO PANAMA. NOT ONLY THE CANAL ZONE TERRITORY BUT THE CANAL ITSELF MUST BE IN PANAMANIAN HANDS NO LATER THAN THE YEAR 2000."

5. THE "FUSS" IN THE U.S. (PRESUMABLY SNYDER AMENDMENT), SAID ESCOBAR, IS AIMED AT KILLING THE NEGOTIATIONS AND/OR SCARING PANAMA INTO WATERING DOWN ITS PROPOSALS AND INTO ACCEPTING THE

U.S. PROPOSALS.

6. ANOTHER PROBLEM WHICH ESCOBAR DESCRIBED AS HAVING "SEMI-PARALYZED" THE NEGOTIATIONS WAS U.S. INSISTENCE ON HAVING U.S. GOVERNMENT ENTITY TO OPERATE THE CANAL. UNDER THIS, THE PANAMANIAN REPRESENTATIVES WOULD BE DESIGNATED BY THE U.S. GOVERNMENT. THIS WAS NOT ACCEPTABLE BECAUSE PANAMANIAN SHOULD NOT WORK FOR CANAL ENTITY EXCEPT BY GOP ASSIGNMENT.

7. CONCERNING U.S. CITIZENS SUBJECT TO PANAMANIAN JURISDICTION, ESCOBAR SAID THEY RUN NO RISK BECAUSE PANAMA IS MATURE, HAS "SUFFICIENTLY SERIOUS LEGAL SYSTEM" AND PANAMANIAN ARE A CULTURE PEOPLE. U.S. CITIZENS NOW LIVE IN PANAMA WITHOUT FEAR.

8. OTHER KEY POINTS IN ESCOBAR'S SPEECH DEALT WITH PROGRESS IN NEGOTIATIONS AND SPELLING OUT MEANING OF JURISDICTION.

9. COMMENT: ANALYSIS OF ESCOBAR'S SPEECH SUGGESTS THAT HIS UNDERLYING PURPOSE WAS TO BOLSTER PUBLIC CONFIDENCE IN THE ABILITIES, FIRMNESS AND PATRIOTIC VIRTUES OF TORRIJOS AND THE PANAMANIAN NEGOTIATORS WHILE MAKING CLEAR THE OBSTACLES THEY FACE IN THE NEGOTIATIONS. IT WAS A CALL FOR UNIFIED SUPPORT FOR TORRIJOS' NEGOTIATING POLICY. ESCOBAR, ALONG WITH THE OTHER SPEAKERS, WAS CLEARLY LAYING THE GROUNDWORK TO JUSTIFY ONGOING PANAMANIAN PARTICIPATION IN PROTRACTED NEGOTIATIONS. THUS THE ESSENCE OF HIS MESSAGE TO THE PANAMANIAN PEOPLE MIGHT BE SUMMED UP AS FOLLOWS: "GENERAL TORRIJOS AND HIS NEGOTIATORS ARE PATRIOTIC, CAPABLE, HARDWORKING, AND HAVE ACHIEVED SOME PROGRESS, BUT THE PROBLEMS AND OBSTACLES IN THE NEGOTIATIONS ARE GREAT; THEREFORE TIME IS REQUIRED. BE PATIENT." HIS WORDS APPEAR ALSO TO HAVE A MESSAGE FOR THE U.S. CONCERNING WHAT PANAMA'S REALITIES ARE, PARTICULARLY ON THE LANDS AND WATERS AND DURATION ISSUES. SPECIFICALLY HIS MESSAGE WAS THAT NO LIMITED OFFICIAL USE

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TREATY COULD BE ACCEPTABLE TO PANAMANIAN UNLESS THEY PERCEIVE THEY WILL OBTAIN "EFFECTIVE" SOVEREIGNTY OVER MUCH OF THE AREA OF THE CANAL ZONE AND THAT THE CANAL WILL REVERT TO PANAMA IN 25 YEARS. PART OF THE "PERCEPTION" OF EFFECTIVE SOVEREIGNTY IS SYMBOLIC--SUCH AS FREE ACCESS TO THE HIGHEST LANDMARK OVERLOOKING PANAMA CITY--ANCON HILL.  
JORDEN

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